



# The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

## **DAILY NEWS DIGEST BY BFSI BOARD**

26 July 2025



### **ECONOMY**

**India announces Rs 4,850 cr LoC for Maldives:** India on Friday announced a Rs 4,850 crore line of credit for the Maldives and agreed to finalise a free trade deal soon, with Prime Minister Narendra Modi emphasising that New Delhi is proud to be the "most trusted" friend of the Indian Ocean archipelago. New Delhi also decided to reduce the Maldives' annual debt repayment obligations by 40 per cent (from USD 51 million to 29 million), seen as a significant move to help the country deal with its economic woes. These measures were announced after PM Modi held extensive talks with Maldivian President Mohamed Muizzu that focused on deepening bilateral cooperation in a range of areas, including trade, defence and maritime security. The two sides sealed six pacts in the fields of fisheries and aquaculture, meteorology, digital public infrastructure, UPI, Indian pharmacopoeia, and for India's concessional line of credit to the island nation.

**(Moneycontrol)**

**No retrospective change in I-T Bill, only simplification: Baijayant Panda:** The new Income-Tax Bill does not override the intent of the Income Tax Act, 1961, but simplifies its language and structure, says Lok Sabha Member Baijayant Panda, who chaired the 31-member select committee to review its draft. In an interview with Monika Yadav, Panda says with the rising number of filings, resources need to be scaled up. Edited excerpts:

**(Business Standard)**

**Govt open to idea of China joint ventures in electronics manufacturing:** The government is open to the idea of more Chinese companies setting up operations in India through joint ventures (JVs) with domestic firms, particularly in the electronics manufacturing sector, a senior official said on Friday, citing China's significant role in global production. Earlier in the day, homegrown electronics manufacturer Dixon Technologies received clearance from the Ministry of Electronics and Information Technology (Meity) to establish a JV with China's Longcheer, through the latter's Singapore-based subsidiary.

**(Business Standard)**



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## BANKING & FINANCE



**ED attaches assets worth Rs 106 crore belonging to former UCO Bank CMD Subodh Goel:** The Enforcement Directorate has attached assets worth Rs 106 crore belonging to former UCO Bank CMD Subodh Kumar Goel in connection with the money laundering probe against him. A Supplementary Prosecution Complaint has also been filed in the Special Court (PMLA), Kolkata against the accused entities including S K Goel, his family members, close aides and other related companies. The central probe agency launched the investigation on the basis of FIR registered by the CBI, BSFB, Kolkata, against M/s. Concast Steel & Power Ltd. (CSPL) and its Directors/Promoters for defrauding banks/financial institutions to the tune of Rs 6,210.72 Crore (excluding interest) using various fraudulent practices. Subodh Kumar Goel, Ex-CMD of UCO bank was arrested in this case on May 16th for playing a substantial role in sanction of loans of more than Rs 1460 Crore to CSPL which later turned into NPA.

**(Moneycontrol)**

**Bank of Baroda Q1 net profit rises 1.9% on-year to Rs 4,541 crore:** State-owned lender Bank of Baroda on July 25 reported a 1.9 percent on-year rise in net profit at Rs 4,541 crore during the June quarter, however, on sequential basis, the net profit fell by 10 percent. The global deposits of the bank has seen a surge of 9.1 percent on-year to Rs 14.36 lakh crore in April-June quarter, from Rs 13.16 lakh crore. The gross NPA ratio of the bank stood at 2.28 percent as on June 30, 2025, from 2.26 percent as on March 31, 2025, and 2.88 percent as on June 30, 2024. Net NPA ratio of the bank stood at 0.60 percent in a reporting quarter, as compared to 0.58 percent in a quarter ago period and 0.69 percent in a year ago period.

**(Moneycontrol)**

**Banks should not expect to profit from UPI transactions, says M Nagaraju:** In an exclusive interview, financial services secretary M Nagaraju says banks shouldn't expect profits from UPI, highlights dis-intermediation trends, RRB consolidation, MSME lending push, and clarifies stance on FDI in insurance and bank licences for big corporates. Banks can't be expected to make profits in all operations. This is true for conglomerates too. After banks were given the UPI facility, their number of customers has really shot up, and this has accelerated credit growth.

**(Financial Express)**

**Credit growth slow despite rate cuts:** The pace of expansion in bank credit continued to slow in July as well even as the Reserve Bank of India (RBI) slashed policy rates by a cumulative one percentage point so far this year. Lending by commercial banks rose 9.8 percent during the fortnight



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ended July 11 at Rs 184.6 lakh crore, compared with the 14% growth in the same period a year ago, according to the latest data released by the RBI.

**(Economic Times)**

## INDUSTRY OUTLOOK



**Labour ministry examining delayed onboarding of 600 lateral hires by TCS, says official:** The Union labour ministry is examining the delayed onboarding of 600 lateral hires by TCS after receiving a letter from IT employees' union NITES, a senior government official told Moneycontrol. On July 22, IT employees' union Nascent Information Technology Employees Senate (NITES) wrote to the ministry and asked it to direct TCS to provide an official and time-bound commitment regarding the onboarding of the affected lateral hires.

**(Business Today)**

**Sensex tumbles 721 points as Nifty breaches key 25,000 support level:** Markets witnessed a sharp sell-off on Friday, with benchmark indices losing nearly one per cent amid weak global cues and disappointing earnings. The BSE Sensex plunged 721.08 points or 0.88 per cent to close at 81,463.09, while the Nifty 50 declined 225.10 points or 0.9 per cent to 24,837.00, decisively breaching the critical 25,000 support zone. The broader market bore the brunt of the selling pressure, with the BSE small-cap index falling 2.16 per cent and the mid-cap index declining 1.63 per cent, significantly underperforming large-caps. The Nifty Midcap 100 dropped 951.25 points or 1.61 per cent to 58,009.45.

**(Business Line)**

**'PM Viksit Bharat Rozgar Yojana (PM-VBRY)' to come into effect from 1st August 2025:** The Employment Linked Incentive (ELI) Scheme which was cleared by Union Cabinet, will come into effect from 1st August 2025 as the "PM Viksit Bharat Rozgar Yojana (PM-VBRY)". With an outlay of Rs 99,446 Crore, the PMVBRY aims to incentivize the creation of more than 3.5 Crore jobs in the country, over a period of 2 years. Out of these, 1.92 Crore beneficiaries will be first timers, entering the workforce. The benefits of the Scheme would be applicable to jobs created between 01st August 2025 and 31st July 2027. Targeting first-time employees registered with EPFO, this Part will offer one-month EPF wage up to Rs 15,000 in two installments. Employees with salaries up to Rs 1 lakh will be eligible. The 1st installment will be payable after 6 months of service and the 2nd installment will be payable after 12 months of service and completion of a financial literacy programme by the employee. The employers will get incentives in respect of employees with salaries up to Rs 1 lakh.



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The Government will incentivize employers, up to Rs 3000 per month, for two years, for each additional employee with sustained employment for at least six months.

**(PiB)**



## REGULATION & DEVELOPMENT

**Banks seek RBI nod to tap litigation funding for overseas dues recovery:** Several Indian banks have approached the Reserve Bank of India, requesting authorization to utilize third-party litigation funding for recovering debts from international organizations. Currently, Indian law lacks provisions enabling banks to use litigation funding for debt recovery. Banks believe this approach could improve initial recovery rates compared to selling assets to recovery firms at significantly reduced prices.

**(Economic Times)**

**IRDAI warns brokers on deal rush:** The Insurance Regulatory and Development Authority of India (IRDAI) has raised concerns over a surge in merger, acquisition, and demerger activities in the insurance distribution space, cautioning brokers against adopting sharp practices to solely inflate their valuations. "We have been witnessing record activity among brokers and other distribution intermediaries," said Satyajit Tripathy, member (distribution), IRDAI, at an Insurance Brokers Association of India event. "While this is fine by all means, I must add a word of caution that with increased growth being seen, we need not be adopting what we call as sharp practices to increase valuation, get listed, and to do business in a way, which may in the long run prove detrimental to the whole ecosystem."

**(Economic Times)**

**The Government launched the Pradhan Mantri Bhartiya Janaushadhi Pariyojana scheme to make quality generic medicines available at affordable prices to all:** The Government launched the Pradhan Mantri Bhartiya Janaushadhi Pariyojana scheme to make quality generic medicines available at affordable prices to all. Under the scheme, dedicated outlets known as Jan Aushadhi Kendras are opened across the country to provide medicines at rates that are about 50% to 80% cheaper than those of branded medicines, resulting in savings of about ₹38,000 crore to citizens in comparison to the prices of branded medicines. 2,110 medicines and 315 surgicals, medical consumables and devices are available under the scheme product basket, covering all major therapeutic groups, such as cardiovascular, anti-cancers, anti-diabetic, anti-infectives, anti-allergic and gastro-intestinal medicines and nutraceuticals. Under the scheme, a total of 16,912 Jan Aushadhi Kendras (JAKs) have been opened till 30.6.2025, out of which 1,432 Kendras have been opened in





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the State of Tamil Nadu. Government has decided to increase the number of JAKs opened to 20,000 by 31.3.2026. There is no State- and Union-territory-wise target for opening of new JAKs.

**(PiB)**

**Atal Pension Yojana (APY) Achieves Major Milestone, Gross Enrolments Surpass 8 Crore:** The Atal Pension Yojana (APY), a flagship social security scheme of the Government of India administered by PFRDA, has achieved a significant milestone by surpassing 8 crore total gross enrolments with an addition of 39 lakh new subscribers in the current Financial Year (FY 2025-26) alone. This milestone comes as the scheme celebrates its 10th anniversary since its launch on May 9, 2015.

**(PiB)**



## FINANCIAL TERMINOLOGY

### LITIGATION FUNDING

- ❖ Litigation funding is a globally accepted model through which a third party, unrelated to the litigants, provides financial support for legal proceedings in exchange for a share of the recovered amount if the case succeeds.
- ❖ Legal Financing enables claimants or plaintiffs to pursue legal action without bearing the full cost of litigation upfront. The costs of legal representation, court fees, and other expenses can be prohibitive, and a claimant may not be able to pursue due to insufficient financial resources, even with a strong case.
- ❖ The benefits of commercial litigation finance mean it is an increasingly common funding mechanism for dispute resolution or arbitration. Law firms and corporations use litigation funding as a strategic risk management tool to improve cash flow and remove legal costs from the balance sheet. Well-capitalised companies are increasingly leveraging litigation finance to optimise their financial resources.



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## RBI KEY RATES

Repo Rate: 5.50%

SDF: 5.25%

MSF & Bank Rate: 5.75%

CRR: 4.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

## FOREX (FBIL 1.30 PM)

INR / 1 USD : 86.5247

INR / 1 GBP : 116.7939

INR / 1 EUR : 101.7340

INR /100 JPY: 58.8700

## EQUITY MARKET

Sensex: 81463.09 (-721.08)

NIFTY: 24837.00 (-225.10)

Bnk NIFTY: 56528.90 (-537.15)

## Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
- ❖ Certificate Course on Credit Management of Banks
- ❖ Certificate Course on Treasury and International Banking
- ❖ Certificate Course on Investment Management
- ❖ Certificate Course on General Insurance.
- ❖ Advance Certificate Course on FinTech

For details please visit  
BFSIB portal of the ICMAI

## Publications by BFSI Board

- ❖ Aide Memoire on Infrastructure Financing.
- ❖ Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).
- ❖ Guidance Note on the Internal Audit of General Insurance Companies.
- ❖ BFSI Chronicle (quarterly issue of BFSIB)
- ❖ Handbook on Stock & Book Debts Audit (Revised and Enlarged 2<sup>nd</sup> Edition)

## TEAM BFSIB

**Banking, Financial Services & Insurance Board**  
**The Institute of Cost Accountants of India (ICMAI)**

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